

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**Boston Edison Company)
Cambridge Electric Company)
Commonwealth Electric Company)
d/b/a NStar Electric)**

M.D.T.E. 03-121

**THE ENERGY CONSORTIUM
AND FIVE NAMED MEMBERS'
RESPONSE TO PETITIONS TO INTERVENE**

The Energy Consortium and five members, Harvard University, Polaroid Corporation, Massachusetts Institute of Technology, USG Corporation, and Shaw's Supermarkets (collectively "TEC") support the granting of full Intervenor status to all petitioners that timely filed their Petition to Intervene and that have not otherwise been granted Intervenor status.¹ TEC believes that the development of standby rate methodologies at issue in this proceeding is a matter of the utmost importance to all citizens in Massachusetts and that the Department should be able to consider the broadest possible range of input on this issue. As NStar itself notes "in this proceeding, the Department may make significant policy determinations regarding the design of standby rates and that it is therefore appropriate for those who have an interest in DG to

¹ The Hearing Officer, at the procedural conference held February 10, 2004, granted the full intervention petitions filed by the Attorney General, DOER, TEC, AIM, Fitchburg Gas & Electric, MASSCAP, MECo and WMECo and granted the limited intervention petitions of Keyspan and Wyeth Pharmaceuticals

participate in the case....” Standby rates, and the basis of their calculation, obviously impact the willingness of commercial, industrial and residential customers to invest in generation.

Many of the viable technologies for generation investment, such as fuel cells and photovoltaics, would have positive environmental impacts by reducing demand for fossil fueled generation. Additionally, investments in these technologies may reduce the need for construction of additional transmission and distribution capacity and the environmental and economic costs that accompany those projects. All of these issues would directly impact the economic and environmental well being of both the residential ratepayer and the commercial and industrial customers represented by TEC.

The Department may “allow any person showing that he may be substantially and specifically affected by the proceeding to intervene as a party in the whole or any portion of the proceeding, and allow any other interested person to participate by presentation of argument orally or in writing, or for any other limited purpose, as the agency may order.” Mass. Gen. Laws c.30A Section 10 (4), see also 220 C.M.R. 1.03(1)(b). Petitioners seeking intervention that have not yet been granted intervenor status include Conservation Law Foundation (“CLF”), ECubed Company and Joint Supporters (“ECubed”), Plug Power, Inc. (“Plug”), Solar Energy Business Association of New England (“Sebane”), Fuel Cell Energy, Inc. (“FCE”), Low Income Weatherization and Fuel Assistance Network and MASSCAP (collectively “MASSCAP”), Aegis Energy Services (“Aegis”), Western Massachusetts Industrial Customers Group (“WMICG”), UTC Power, LLC (“UTC”), and New England DG Coalition (“NEDGC”).

Many of the petitioners with pending intervention requests represent, directly and indirectly, manufacturers, suppliers and vendors of generation equipment of types that are, or may be, actively considered by TEC members for installation within NStar service territories. It is critical that there be a full and fair consideration of the issues surrounding standby rates with input from not only the customers of NStar but also from those industries that would supply generation technology to NStar customers. As industry representatives these suppliers have access to the latest information about generation technologies, their performance capabilities and the costs that drive investment in those technologies. TEC members rely on these experts to assist in evaluation of the viability of capital investment. The proposed DG industry intervenors are not simply competitors of NStar. They are important contributors to the development of a reliable, economic and environmentally sound electric distribution system and they represent a valuable information resource for the Department in considering appropriate standby rate methodologies.

Other interest groups that have petitioned for intervenor status include CLF and WMICG. CLF is not only a NStar customer that represents the environmental concerns of many other NStar customers; it is also a group that offers valuable input regarding the value and importance of environmentally suitable generation technology. If the Department in standby rate design is to assess costs where they are incurred as NStar has maintained in its filed testimony, then it must also assess economic benefits where they are provided. CLF is in a unique position to provide valuable data to the Department in making these assessments. WMICG represents C & I customers in western Massachusetts and therefore has a unique perspective to offer the Department in the

design of standby rate methodologies that NStar has itself acknowledged will impact the design of standby rates elsewhere in the Commonwealth. Denying a major consumer group full participation in the current proceeding will permanently and irrevocably compromise these consumers from having a voice in a matter critical to their economic vitality and consequently the economic well being of this Commonwealth.

For these reasons, TEC respectfully requests that the pending Petitions for Intervention be allowed in full.

RESPECTFULLY SUBMITTED
On Behalf of TEC by its attorney,

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Dated: February 16, 2004

CERTIFICATE OF SERVICE

I hereby certify, under the pains and penalties of perjury, that the foregoing
RESPONSE TO PETITIONS TO INTERVENE
was served on February 16, 2004, by deposit postage prepaid in First Class US Mail,
upon:

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Signed, _____

Roger Borghesani